FINANCIAL MANAGEMENT STRATEGY OF REGIONAL PUBLIC SERVICE AGENCIES (BLUD) IN IMPROVING HEALTHCARE SERVICE QUALITY AT SUNGAILIAT PUBLIC HEALTH CENTER AND SINAR BARU PUBLIC HEALTH CENTER, BANGKA REGENCY

Netta Shofa[1], Nizwan Zukhri[2], Ari Agung Nugroho[3*]
[1,2,3] Master of Management Study Program, Faculty of Economics and Business, Universitas Bangka Belitung, Indonesia
*Corresponding Author Email: ariagungnugroho@ubb.ac.id

ABSTRACT

The implementation of the Regional Public Service Agency Financial Management Pattern (PPK-BLUD) provides financial flexibility for public health centers (puskesmas) to enhance service quality. Disparities in resource capacity, the number of National Health Insurance (JKN) participants, and fiscal capacity trigger differences in fund management strategies. This qualitative study aims to analyze the implementation, internal-external factors, and BLUD fund management strategies at Sungailiat Health Center and Sinar Baru Health Center in Bangka Regency. Data were collected through in-depth interviews, observations, and documentation, then analyzed using Internal Factor Analysis Summary (IFAS), External Factor Analysis Summary (EFAS), Internal-External (IE) Matrix, SWOT Matrix, and Quantitative Strategic Planning Matrix (QSPM). Results indicate that fund management adheres to flexibility, effectiveness, efficiency, accountability, and transparency principles. Sungailiat Health Center achieved an IFAS score of 3.05 and EFAS score of 3.15 (Cell I IE: Grow and Build, Quadrant I SWOT). Its QSPM priority is the Strengths–Opportunities (SO) strategy (TAS 6.47), focusing on digitalization, human resource competency enhancement, and service innovation. Conversely, Sinar Baru Health Center obtained an IFAS score of 2.45 and EFAS score of 2.87 (Cell V IE: Hold and Maintain, Quadrant IV SWOT). Its priority is the Strengths–Threats (ST) strategy (TAS 5.94), emphasizing financial efficiency, budget prioritization, and medical logistics optimization. The study concludes that BLUD strategies must be contextually tailored to the specific operational conditions of each health center.

Keywords: BLUD, PPK-BLUD, Financial Management Strategy, Healthcare Service Quality, Public Health Center, QSPM Analysis.

1. INTRODUCTION

The public health financing system in developing countries is undergoing a major transformation to achieve operational sustainability and equitable access to services. In Indonesia, this transformation is realized through strengthening the role of Public Health Centers (Puskesmas) as the frontline of Primary Healthcare Facilities (FKTP). Based on the Regulation of the Minister of Health of the Republic of Indonesia Number 43 of 2019, Puskesmas are required to provide quality, fair, and equitable health services. However, the rigid bureaucracy of conventional local financial management often poses a major obstacle in responding to dynamic and urgent medical operational needs.

Addressing these challenges, the Government implemented the Regional Public Service Agency Financial Management Pattern (PPK-BLUD) as regulated in Minister of Home Affairs Regulation (Permendagri) Number 79 of 2018. Status BLUD provides financial flexibility for Puskesmas to allocate and directly utilize their functional revenue (self-managed) without depositing it first to the regional treasury. This flexibility focuses on internal governance efficiency, accelerating medical logistics procurement, and encouraging financial independence that leads to improved public service quality.

The implementation of BLUD flexibility is closely linked to the dynamics of National Health Insurance (JKN) BPJS Kesehatan membership, which serves as the primary source of Puskesmas functional revenue through capitation funds. Nationally, the number of JKN participants continues to rise: 267.31 million in 2023, 278.10 million in 2024, and reaching 280.23 million in 2025. However, the distribution of JKN membership across Puskesmas is uneven, triggering significant disparities in capitation revenue.

This phenomenon of fiscal asymmetry is clearly evident in Bangka Regency between Sungailiat Health Center and Sinar Baru Health Center. JKN membership data shows a sharp gap: Sungailiat Health Center served 22,107 participants in 2023, 24,500 in 2024, and 27,306 in 2025. Meanwhile, Sinar Baru Health Center recorded only 6,538 participants in 2023, 7,594 in 2024, and 9,106 in 2025. This disparity in workload and functional revenue directly impacts operational budget flexibility and requires distinct BLUD fund management strategies at each location.

This study aims to: (1) describe the implementation of BLUD fund management at Sungailiat Health Center and Sinar Baru Health Center; (2) analyze internal and external factors influencing the success of fund management; and (3) analyze comparative strategies and establish effective priority strategy formulations for BLUD fund management to enhance healthcare service quality.

2. LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

2.1 Theoretical Framework

New Public Management (NPM): NPM theory (Hood, 1991) emphasizes the importance of adopting private sector management principles into public sector organizations to improve efficiency, effectiveness, managerial flexibility, and result orientation. The implementation of PPK-BLUD represents a concrete form of authority decentralization that grants financial autonomy to Puskesmas leaders to respond rapidly to community needs.

Strategic Management: According to David et al. (2017), strategic management encompasses the formulation, implementation, and evaluation of cross-functional decisions. The formulation process requires identifying internal factors (Strengths, Weaknesses) and external factors (Opportunities, Threats) to establish adaptive and competitive strategic alternatives.

BLUD Financial Management: Pursuant to Permendagri No. 79/2018, BLUD fund management is executed based on principles of flexibility, efficiency, effectiveness, transparency, and accountability. This flexibility covers expenditure flexibility, cash management, procurement of goods/services, and the utilization of remaining budget balances (SiLPA).

Donabedian's Healthcare Quality Theory: Donabedian's model (1988) measures healthcare quality through three dimensions:

1. **Structure:** Availability of human resources, infrastructure, pharmaceuticals, medical equipment, and budgetary support.
2. **Process:** Service procedures, accuracy of treatment, speed, and orderly administration/referral pathways.
3. **Outcome:** Patient satisfaction levels, achievement of quality indicator standards, and public health status.

2.2 Conceptual Framework

The conceptual framework integrates internal and external factors of both health centers into strategic evaluation tools (IFAS/EFAS), maps their positions on the IE Matrix and SWOT

Diagram, sets strategy priorities via QSPM, and analyzes their implications for healthcare quality based on Donabedian's framework.

3. RESEARCH METHOD

This research employs a descriptive qualitative approach. The research locations focus on Sungailiat Health Center and Sinar Baru Health Center in Bangka Regency. Informant selection was conducted through purposive sampling involving 18 key informants, including officials from the Bangka Regency Health Office, Heads of Health Centers, BLUD Treasurers/Financial Officers, BLUD Management Teams (RBA & Reporting), Program Coordinators, and field health workers.

Data collection was carried out through in-depth interviews, operational participatory observation, and documentation studies (RBA, DPA, Budget Realization Reports, Health Center Profiles, and Quality Indicator Documents). The data analysis technique combined interactive qualitative analysis with strategic management formulation:

1. Construction of Internal Factor Analysis Summary (IFAS) and External Factor Analysis Summary (EFAS) matrices.
2. Mapping organizational positions on the Internal-External (IE) Matrix and SWOT Cartesian Diagram.
3. Formulation of combined SWOT strategic alternatives (SO, WO, ST, WT).
4. Determination of priority strategies using the Quantitative Strategic Planning Matrix (QSPM) based on Total Attractiveness Score (TAS) calculations.

4. RESULTS AND DISCUSSION

4.1 Internal and External Factor Evaluation (IFAS & EFAS)

Based on the weighting and rating results from expert informants, the strengths, weaknesses, opportunities, and threats of both health centers were identified. A summary of the IFAS and EFAS matrix evaluation results is presented in Table 1 below:

Table 1. Internal and External Factor Evaluation Matrix (IFAS & EFAS)

Health Center Location	IFAS Weighted Score	EFAS Weighted Score	IE Matrix Position	SWOT Cartesian Quadrant
Sungailiat Health Center	3.05	3.15	Cell I (Grow and Build)	Quadrant I (Aggressive / SO)
Sinar Baru Health Center	2.45	2.87	Cell V (Hold and Maintain)	Quadrant IV (Diversification / ST)

Sungailiat Health Center: Achieved an IFAS score of 3.05 (above the 2.50 average) and an EFAS score of 3.15, reflecting a strong internal position and high responsiveness to external opportunities. Its position in Cell I of the IE Matrix (Grow and Build) demands aggressive growth strategies leveraging internal strengths to capture broad opportunities.

Sinar Baru Health Center: Obtained an IFAS score of 2.45 and EFAS score of 2.87, indicating moderate to slightly vulnerable internal conditions with fiscal limitations in capitation funds. Positioned in Cell V of the IE Matrix (Hold and Maintain), it requires strategies focused on stability, efficiency, and strengthening core functions.

4.2 Strategy Prioritization Based on QSPM

The Quantitative Strategic Planning Matrix (QSPM) processing results for each strategic alternative yielded Total Attractiveness Score (TAS) values as summarized in Table 2:

Table 2. Summary of QSPM Values for Both Health Centers

Strategy Category	Sungailiat Health Center (TAS)	Sinar Baru Health Center (TAS)	Operational Focus Direction
SO Strategy (Strengths - Opportunities)	**6.47 (Priority 1)**	5.12	Service digitalization, HR development, & medical innovation expansion.
WO Strategy (Weaknesses - Opportunities)	5.82	5.38	IT infrastructure strengthening & financial administration training.
ST Strategy (Strengths - Threats)	5.90	**5.94 (Priority 1)**	Expenditure efficiency, essential logistics prioritization, & SiLPA prevention.
WT Strategy (Weaknesses - Threats)	4.95	4.65	Strict cost control & internal budget compliance audit.

4.3 Discussion of Strategies and Donabedian Quality Implications

1. Sungailiat Health Center (SO Strategy - TAS 6.47):

As an urban health center managing a massive JKN membership base (27,306 participants in 2025), capitation allocation advantages are utilized to accelerate digital transformation (e-Puskesmas and SatuSehat integration), procure advanced medical devices, and enhance HR capacity. This strategy directly impacts:

1. **Structure:** Modern facilities, 100% medicine availability, and integrated digital medical record infrastructure.
2. **Process:** Drastic reduction in registration wait times, precise medical diagnosis, and streamlined referral pathways.
3. **Outcome:** Exceptionally high patient satisfaction levels and optimal fulfillment of national quality indicators.

2. Sinar Baru Health Center (ST Strategy - TAS 5.94):

Located in a semi-urban area with limited JKN enrollment (9,106 participants in 2025), the strategy focuses on financial resilience through prioritizing essential operational spending, eliminating non-priority activities, and optimizing medical buffer stock. Its implications for quality include:

1. **Structure:** Maximizing existing facility maintenance without large physical expansion.
2. **Process:** SOP-compliant service workflows and strict control over consumable supply outage risks.
3. **Outcome:** Maintaining steady community satisfaction in rural/semi-urban populations while preventing budget deficits.

Table 3. Cross-Case Visual Matrix of BLUD Strategy Implementation

Comparative Dimension	Sungailiat Health Center	Sinar Baru Health Center
JKN Fiscal Capacity	High (27,306 participants in 2025)	Limited (9,106 participants in 2025)
Main RBA Focus	Innovation, Digitalization, & Service Expansion	Operational Efficiency & Medical Logistics Adequacy
Flexibility Utilization	Highly Active (Self-managed procurement & incentives)	Conservative (Priority on essential drug supply)
Structural Quality Impact	Facility modernization & digital medical devices	Well-maintained basic infrastructure availability
Process Quality Impact	Rapid IT-based services & workflow efficiency	Standardized, orderly services under strict SOPs

5. CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

1. The implementation of BLUD fund management at both health centers adheres to Permendagri No. 79/2018 regulation, applying principles of flexibility, efficiency, effectiveness, and accountability.
2. Sungailiat Health Center is positioned in Cell I of the IE Matrix (Grow and Build) with a priority SO strategy (TAS 6.47) emphasizing digital innovation, HR capacity building, and equipment modernization.
3. Sinar Baru Health Center is positioned in Cell V of the IE Matrix (Hold and Maintain) with a priority ST strategy (TAS 5.94) focusing on budget efficiency, essential spending, and fiscal resilience.
4. BLUD flexibility effectively drives healthcare quality across Donabedian's framework (Structure, Process, Outcome) when contextually aligned with individual health center fiscal profiles.

5.2 Policy and Practical Recommendations

1. **For Bangka Regency Health Office:** Formulate affirmative policies or operational support redistribution mechanisms to minimize fiscal disparities across health centers caused by JKN participant distribution gaps.
2. **For Sungailiat Health Center Management:** Maintain technological leadership and expand e-Puskesmas integration to maximize community satisfaction outcomes.
3. **For Sinar Baru Health Center Management:** Enhance creative non-capitation functional revenue generation and provide financial management training to increase budget absorption flexibility.

REFERENCES

Ahrens, T., & Ferry, L. (2020). Financial Resilience of English Local Government in the Aftermath of COVID-19. *Journal of Public Budgeting, Accounting & Financial Management*, 32(5), 813-823.

Barbera, C., Guarini, E., & Steccolini, I. (2020). How Do Governments Cope with Austerity? The Roles of Accounting in Shaping Governmental Financial Resilience. *Accounting, Auditing & Accountability Journal*, 33(3), 529-558.

BPJS Kesehatan. (2024). *Laporan Pengelolaan Program dan Laporan Keuangan Jaminan Kesehatan Nasional 2023*. Jakarta: BPJS Kesehatan.

BPJS Kesehatan. (2025). *Data Perkembangan Kepesertaan JKN dan Distribusi Fasilitas Kesehatan Primer 2024*. Jakarta: BPJS Kesehatan.

Creswell, J. W., & Poth, C. N. (2018). *Qualitative Inquiry and Research Design: Choosing Among Five Approaches* (4th ed.). Thousand Oaks: SAGE Publications.

David, F. R., & David, F. R. (2017). *Strategic Management: A Competitive Advantage Approach, Concepts and Cases* (16th ed.). Boston: Pearson.

Donabedian, A. (1988). The Quality of Care: How Can It Be Assessed? *JAMA*, 260(12), 1743-1748.

Hood, C. (1991). A Public Management for All Seasons? *Public Administration*, 69(1), 3-19.

Kementerian Dalam Negeri Republik Indonesia. (2018). *Peraturan Menteri Dalam Negeri Nomor 79 Tahun 2018 tentang Badan Layanan Umum Daerah*. Jakarta: Kemendagri.

Kementerian Kesehatan Republik Indonesia. (2019). *Peraturan Menteri Kesehatan Nomor 43 Tahun 2019 tentang Pusat Kesehatan Masyarakat*. Jakarta: Kemenkes RI.

Mardiasmo. (2021). *Akuntansi Sektor Publik*. Yogyakarta: Penerbit Andi.

Novita, Wijaya, A., & Utami, S. (2024). Digitalisasi Manajemen Keuangan Badan Layanan Umum Daerah (BLUD) di UPTD Puskesmas. *Jurnal Co-Creation*, 6(2), 145-158.

Pemerintah Kabupaten Bangka. (2025). *Laporan Kinerja Instansi Pemerintah (LKjIP) Dinas Kesehatan Kabupaten Bangka Tahun 2024*. Sungailiat: Dinkes Kabupaten Bangka.

Rohani, M. (2025). *Analisis Kesiapan Penerapan PPK-BLUD di Puskesmas Kabupaten Kotawaringin Barat*. Tesis, IIK STRADA Indonesia.

Sulistyowati, H., & Sunaningsih, S. N. (2023). Implementasi Pengelolaan Keuangan Puskesmas Setelah Berstatus Menjadi BLUD. *Jurnal Bisnis dan Akuntansi*, 15(1), 45-58.

Yin, R. K. (2018). *Case Study Research and Applications: Design and Methods* (6th ed.). Thousand Oaks: SAGE Publications.